

13 September 2019

Ex Parte

Marlene H. Dortch
Secretary, Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Expanding Flexible Use of the 3.7 to 4.2 GHz Band; GN Docket No. 18-122

Dear Ms. Dortch:

On 11 September 2019, James Frownfelter, Chairman and CEO of ABS Global Ltd. (ABS), Carlos Espinós Gómez, CEO of Hispasat S.A., Phillip Spector, and undersigned counsel met with Chairman Pai and his Media Advisor Alex Sanjenis on behalf of the Small Satellite Operators or SSOs (ABS, Hispasat S.A. and Claro S.A.).

We described the SSOs' investments in the U.S. C-band and the importance of their U.S. authorizations to their global satellite businesses. We nevertheless expressed support for any reallocation proposal that meets the Nation's 5G objectives so long as it repurposes the band using an equitable, efficient, and transparent process. We agreed with AT&T that any private auction can and should be conditioned to ensure that it meets legal requirements and public interest objectives. With respect to principles that should guide the transition, we made the following points:

- 300 megahertz of C-band spectrum could be made available for 5G within 18 to 36 months through the use of non-proprietary, readily available compression technology. Incentivizing earth station operators would help ensure the timeline tracks the lower end of the estimate.
- Taxpayers should receive a substantial share of reallocation proceeds given the unique licensing regime governing the C-band.
- All operators with satellites authorized to serve the U.S. market in the C-band should be compensated for relinquishing their spectrum use rights.
- The CBA's attempt to use 2017 U.S. C-band revenues as a gating factor for participation in a sale fails as a matter of both law and policy. As the CBA's economist has explained, satellite operators would be compensated for their future loss of spectrum use rights—which is not legally or logically related to past revenues.
- Because SSO satellites have the same spectrum use rights as the CBA satellites, the SSOs will suffer the same kind of loss as the CBA members, and thus are just as entitled to receive compensation.

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- We also noted that more than 60 percent of CBA satellites at issue in this proceeding did not generate any 2017 U.S. C-band revenues, yet will suffer a loss of spectrum access for which the CBA correctly says it must be compensated.
- Any past revenue requirement also would be inconsistent with FCC precedent, including recent decisions unleashing flexible use spectrum for 5G, and with statutory provisions that protect wireless licensees from fundamental changes to the terms of their licenses.
- If it approves a private sale, the Commission can determine each operator's share of non-exclusive spectrum use rights using simple metrics that are consistent with how the FCC licenses satellite networks and the CBA's own analysis of the economic loss that a repurposing would cause in this proceeding.
- We also briefly discussed the ACA Connects Coalition's fiber proposal indicating that we shared many of the goals of the proposal, and agreed that earth station operators need to be incentivized for the band repurposing to succeed quickly. But we expressed the view that any proposal that relies on a nationwide fiber build to be completed before the transition will delay the transition and put it at risk. We also said that the purpose of the proposal—making more than 200 megahertz of C-Band spectrum available for 5G—could be met more quickly and with less risk by adding better compression technology to existing earth stations.

Please let us know if you have any questions or need any further information.

Sincerely,

A handwritten signature in dark ink that reads "SCOTT HARRIS". The signature is stylized, with the first name "SCOTT" in all caps and the last name "HARRIS" in all caps, though the handwriting is cursive.

Scott Blake Harris

Shiva Goel

Counsel to the Small Satellite Operators

cc: meeting attendees